

GENE W LABITTE LEON J. REYMOND, JR. J. BERRY ST. JOHN, JR. DONALD R. ABAUNZA JOHN M. WILSON LAWRENCE P. SIMON, JR. S. GENE FENDLER MAURICE C. HEBERT, JR. GEORGE H. ROBINSON, JR MARILYN C. MALONEY JOSEPH C. GIGLIO, JR. PATRICK W. GRAY ROBERT E. HOLDEN JOE B. NORMAN THOMAS M. MCNAMARA BILLY J. DOMINGUE WILLIAM W. PUGH RICHARD W. REVELS, JR. JOSEPH P. HEBERT MARGUERITE L. ADAMS † DAVID W. LEEFE

WM. BLAKE BENNETT MARK A. LOWE GEORGE DENEGRE, JR DON K. HAYCRAFT CRAIG WYMAN JAMES A. BROWN R. KEITH JARRETT STEVIA M. WALTHER ROBERT S. ANGELICO \* ROBERT L. THERIOT DENA! OLIVIER GEORGE ARCENEAUX III MARIE BREAUX RANDYE C. SNYDER JONATHAN A. HUNTER THOMAS P. DIAZ MARY S. JOHNSON SHAUN G CLARKE JAMES C. EXNICIOS THOMAS J. McGOEY II CHERYL MOLLERE KORNICK JOHN C. ANJIER G. C. SLAWSON, JR.

## ATTORNEYS AT LAW

ONE SHELL SQUARE
701 POYDRAS STREET, SUITE 5000
NEW ORLEANS, LOUISIANA 70139-5099
TELEPHONE (504) 581-7979
FACSIMILE (504) 556-4108 • (504) 556-4109

822 HARDING STREET
P.O. BOX 52008

LAFAYETTE, LOUISIANA 70505-2008

TELEPHONE (337) 232-7424

FACSIMILE (337) 267-2399

FIRM@LISKOW.COM
www.LISKOW.COM
Lafayette, Louisiana
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CULLEN R. LISKOW

SHANNON S. HOLTZMAN CAROL WELBORN REISMAN MATT JONES DAVID L. REISMAN JILL THOMPSON LOSCH MICHAEL D. RUBENSTEIN HAROLD J. FLANAGAN GREG L. JOHNSON JAMIE D. RHYMES KHRISTINA DELUNA MILLER RENÉ WEBB PENNINGTON BRETT D. WISE JOHN A. LOVETT KYLE P. POLOZOLA THOMAS BERON J. PATRICK MORRIS, JR. E. JANE ROLLING MARK A. JOHNSON ELISE MAYERS BOUCHNER JANA L. GRAUBERGER SHAWN C. RHYMES K. TODD WALLACE

MICHAEL A. GOLEMI

JANINE V. HODGES
JASON P. BERGERON
CHADWICK J. MOLLERE +
KELLY T. SCALISE

(1910-1974)

CHADWICK J. MOLLERE + KELLY T. SCALISE DANA M. DOUGLAS NATHAN B. ABERCROMBIE H.S. BARTLETT III JAMES H. DUPUIS, JR. KELLY BRECHTEL BECKER

Of Counsel
CHARLES C. GREMILLION
THOMAS D. HARDEMAN
THOMAS B. LEMANN

- † Board Certified Estate Planning and Administration Specialist
- \* Board Certified Tax Specialist
- Registered Patent Attorney

Honorable James H. Welsh Commissioner of Conservation Office of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re:

Cibicides Carstensi Sand, Reservoir B BRETON SOUND BLOCK 18 FIELD Plaquemines Parish, Louisiana

## Dear Commissioner Welsh:

Application is hereby made on behalf of **AMERADA HESS CORPORATION** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the establishment of rules and regulations and the creation of a single drilling and production unit for the Cibicides Carstensi Sand, Reservoir B, in the Breton Sound Block 18 Field, Plaquemines Parish, Louisiana, such unit to be designated CIB C RB SUA:

- 1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Cibicides Carstensi Sand, Reservoir B, in the Breton Sound Block 18 Field, Plaquemines Parish, Louisiana, such unit to be designated CIB C RB SUA.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate Amerada Hess Corporation as operator of the unit created herein.
- 4. To designate the Amerada Hess Corporation -- S.L. 16443 No. 1 Well as unit well for the proposed CIB C RB SUA, Breton Sound Block 18 Field, at the location shown on the plat attached hereto and made a part hereof.

- 5. To recognize that the Cibicides Carstensi Sand, Reservoir B, in the Breton Sound Block 18 Field, Offshore Plaquemines Parish, Louisiana, whose limits are shown on the attached plat, is a new discovery pursuant to LSA-R.S. 47:648.1 648.4, as amended.
- 6. To recognize that the Amerada Hess Corporation -- S.L. 16443 No. 1 Well (Serial No. 223551) located as shown on the attached plat, is a new discovery well for the Cibicides Carstensi Sand, Reservoir B, Breton Sound Block 18 Field, pursuant to LSA-R.S. 47:648.1 648.4, as amended.
- 7. To permit the applicant to designate and utilize its S.L. 16443 No. 2 Well as alternate unit well for the proposed CIB C RB SUA, Breton Sound Block 18 Field, located as shown on the attached plat.
- 8. To provide that any future wells drilled to the proposed unit shall be located in accordance with the spacing provisions of Statewide Order No. 29-E.
- 9. To recognize that the proposed unit and alternate unit well are necessary to efficiently and economically drain the subject reservoir.
- 10. To permit the operator to produce the unit allowable from the existing unit well, the proposed alternate unit well, or both at the discretion of the operator.
- 11. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir created herein by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 12. To consider such other matters as may be pertinent.

The Cibicides Carstensi Sand, Reservoir B, in the Breton Sound Block 18 Field, is hereby defined as being that gas and condensate bearing sand encountered between the depths of 8,982 feet and 9,214 feet (electrical log measurements) in the Amerada Hess Corporation – S.L. No. 16443 No. 2 Well, located in Offshore Plaquemines Parish, Louisiana.

Pursuant to the Revised Rules of Procedure, pre-application notice was given; however, no request for the conference was received. Therefore, the conference tentatively scheduled for Monday, November 18, 2002, <u>WILL NOT BE HELD</u>.

Pertinent data, including well logs, may be obtained AT THE COST OF THE REQUESTING PARTY from Louis Gilbert & Associates, 3636 North Causeway Boulevard, Suite 204, Metairie, Louisiana, 70002-7216, Telephone Number (504) 834-8112.

Attached hereto and made a hereof is a plat outlining the applicant's unit proposal and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested

Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such plat (being the same plat attached to the notice dated October 28, 2002) and list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check on behalf of the applicant, in the amount of \$700.00, <u>made</u> <u>payable to the Office of Conservation</u> representing the required hearing application fee.

Very truly yours,

RWRjr/dbf Enclosure

Richard W. Revels, Jr.

cc:

Mr. Richard Hudson /Lafayette District Office of Conservation

Jim Hughart/Amerada Hess Corporation

La. Office of Mineral Resources/State Mineral Board

Louis Gilbert/geologist

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